

TO: ALL COUNTY PERSONNEL

FROM: ROBERT WEISMAN
COUNTY ADMINISTRATOR

PREPARED BY: OFMB/CONTRACT DEVELOPMENT AND CONTROL

SUBJECT: CONTRACT DEVELOPMENT AND CONTRACT
RESPONSIBILITY

PPM #: CW-F-049

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ISSUE DATE
October 22, 2012

EFFECTIVE DATE
October 22, 2012

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PURPOSE:

To ensure that contracts have been properly developed and reviewed prior to presentation to the Board of County Commissioners or authorized official for approval.

AUTHORITY:

Palm Beach County Administrative Code, Section 307.00.

UPDATES ARE THE RESPONSIBILITY OF:

Future updates to PPM #CW-F-049 will be the responsibility of the Director of the Office of Financial Management & Budget Department.

DEFINITIONS:

1. Contract means (a) a deliberate verbal or written agreement between two or more competent parties to perform or not perform a specific act or acts (b) any type of agreement regardless of what it is called for the procurement or disposal of supplies, services or construction.
2. Formally Executed Contract means the existence of a formal, written contract document requiring the signature of two or more parties, one of which must be Palm Beach County.
3. Fully Executed Contract means a formally executed contract that has been signed (executed) by all of the parties to the contract.

4. Contractor means any person or entity having a contract with the Board of County Commissioners (Palm Beach County).
5. Contract Monitor - individual assigned by the Department or agency to be responsible for the day to day responsibility of managing/monitoring the contract.

POLICY:

The general contract policies as described below shall apply to all County Commission departments, divisions and agencies.

I. CONTRACT RESPONSIBILITY: The head of the department or division requesting the goods or services covered by the contract shall assume primary responsibility for contract development. He or she shall assign a Contract Monitor who shall be responsible for authorizing payments, for ensuring compliance with the terms of the contract, and for follow up in cases of noncompliance. The assigned Contract Monitor must provide signature cards to the Finance Department of the Clerk's office. The Contract Development and Control Division shall be notified of this specific Contract Monitor.

II. CONTRACT DEVELOPMENT: The department or division head shall have primary responsibility for developing the contract's technical content in accordance with Countywide Policies and Procedures and moving the proposed contract through the agenda process, specifically in accordance with PPM# CW-O-018 and PPM# CW-O-014. Competitive procurement as governed by the County Purchasing Code shall be processed through the Purchasing Department. Review of all contracts must be made by OFMB-Contract Development and Control and the County Attorney. The proposed contract must be submitted to OFMB-Contract Development and Control for review prior to execution by the County. Attachment A is provided for assisting in the development of contracts and related Agenda Item Summaries.

III. GENERAL CONTRACT REQUIREMENTS: The following policies shall be effective for all formally executed contracts by or on behalf of the Board of County Commissioners.

- A. Contract Execution:** Unless delegated by separate or subsequent Board policies or resolutions, members of County staff have no authority to execute contracts on behalf of the County, except as permitted by Sections 2-51 through 2-57 of the Palm Beach County Code ("Purchasing Code"), as amended.
- B. Contract Maximums:** All contracts which obligate the County to pay for goods and/or services shall indicate a maximum amount (cap) to be paid under the contract or a fixed price (lump sum) amount. If reimbursables are to be paid, a maximum amount for reimbursable expenses must be separately stated.

- C. **Effective Dates:** The contract must contain an effective date. Unless otherwise provided in the contract document, the effective date will be the date of execution by the County. The completion date or time of performance must be indicated in the contract document. Expenses incurred or services rendered prior to the effective date of the contract will not be paid unless retroactive payment has been approved by the Board.
- D. **Budget Sufficiency:** Sufficient appropriations must be available at the time of contract execution to encumber the contract amount. If the contract provides for automatic renewal at the end of the initial term, the contract must include a clause that states that the renewal is subject to available funding at the time of the renewal. Specific account number(s) must be shown on the Agenda Item Summary. Budget transfers or amendments shall be prepared and submitted as needed.
- E. **Reimbursables:** Reimbursables in contracts should be used selectively due to the staff time and expense required to preaudit such payments. If reimbursables are included in the contract, the terms and conditions of the contract must specifically state those items that are considered reimbursable.

The following conditions should also be included in the reimbursement terms of the agreement:

1. Reimbursement for travel expenses shall be in accordance with F.S. 112.061.
2. Reimbursement will not be provided for items or expenses normally connected with the course of doing business such as office supplies, advertisements for hiring personnel, lease or purchase of office furniture or office space, local telephone service, taxes, entertainment expenses (including business lunches), computer time on the contractor's own equipment, and normal reproduction (copying) charges.
3. Special charges, such as printing, duplicating, soil borings, aerial photography, etc. may be reimbursed if the contract terms identify the quantity and unit cost maximum for each type of special charge required by the contract and subject to reimbursement.
4. The County reserves the right to determine if an expense is reasonable and may reject expenses which are excessive or represent costs of a personal nature. The County will not reimburse the cost of tips, personal items, sundries, travel insurance, in-room movies, laundry or valet services, cable TV hookups or charges, first class airfare (unless no other service available), alcoholic beverages, entertainment expenses, and meals or snacks (except meal allowance as authorized by F.S. 112.061).
5. Contract language shall specify the level of detail and specific documentation required for reimbursement where available and applicable.

- F. Advance Payment:** No County contract shall provide for any payment prior to the receipt and acceptance of the goods or services represented by that payment, except for rent or lease payments, artwork, some specific grants awarded by the County, memberships and subscriptions.
- G. Documentation Requirements for Payment to Vendors:** All requests for payment shall be accompanied by documentation sufficient to establish the amount of goods and services delivered to incur payment and obligation of the County to pay. The documentation submitted to the Finance Department must also include the approval and signature of an individual in the user department authorized to approve payments. The following specific documentation requirements shall apply to contracts providing for reimbursables which are estimated and specified actual costs to be paid:
1. Computer printouts or lists of expenses prepared by the contractor are not acceptable as documentation. Original or copies of receipts or invoices are required. Copies of contractor employees' expense reports are also not acceptable unless accompanied by copies of receipts, tickets, or other documentary evidence of payment.
 2. Documentation for travel must include the purpose of the trip, the date and time of departure, and the date and time of return.

- H. Final Payments:** Final payments on a contract may be made without further approval by the Board provided the work is completed and/or goods have been received and accepted in accordance with the contract (including subsequent amendments or change orders.)

Payment shall not be made for services rendered or goods received after the expiration date or completion time of the contract without Board approval, even though the total amount of the contract has not yet been expended. This does not apply to professional service agreements where services are to be provided on a task by task basis or in situations where goods or services are ordered during the contract term.

Final payments for construction shall be approved by the Countywide Contract Review Committee per approved Board policy dated April 4, 1989 (Resolution No. R-89-633) and By-Laws approved June 27, 1989, and PPM's signed by the County Administrator, and all revisions thereto.

- I. Negotiation of Fixed Price (Lump Sum) Contracts Which Involve Reimbursables:** The following procedure shall apply in negotiating fixed price contracts which include reimbursables: The vendor shall submit a schedule of labor hours (with name, title, raw hourly rate, load factors, and corresponding hourly costs); a schedule of materials, tasks, deliverables, and milestones (where applicable); and a detailed line-item schedule of reimbursables. Each schedule shall be negotiated to the maximum extent possible and the fixed price (lump sum) shall be the negotiated total for each schedule. The Contract Monitor shall maintain auditable records of all negotiations which indicate the original

amounts requested by the vendor and the negotiated amounts for each schedule which comprise the fixed price (lump sum) total.

- J. Schedule of Work:** Contracts shall state milestones, deliverables, materials, labor, unit quantities, phases, percent completion, tasks, subtasks, manpower loading and completion date(s), where applicable. Payments shall be tied directly to these milestones, deliverables, tasks, unit quantities, etc.
- K. Scope of Work:** The Scope of Work shall include a detailed narrative statement indicating clearly the "who", "what", "where", "when" and "how" of the vendor's responsibilities.
- L. Indexed Price Adjustments:** Contracts which include annual indexed price adjustments must specifically define the relative price or market index used.

CPI adjustments must specify which CPI Index is used (e.g., The Revised Consumer Price Index for Urban Wage Earners and Clerical Workers, U.S. City Average, All Items-1967 = 100 base as published by the Bureau of Labor Statistics, U.S. Department of Labor). It is recommended that a fixed percentage rate be used in lieu of an indexed rate or that any indexed rate be capped at a specific percentage rate (except for revenue-producing contracts). A schedule of annual estimated or expected expenditures (or revenues) for the term of the contract shall be included in the agenda item package.

- M. Audit:** The authority and right is granted to the Internal Auditor, the Contract Development and Control Division and any other Board-approved Department or Division to review and audit any contracted vendor's records to determine the reasonableness of any charges billed to, or revenues paid to, the County.

An Access and Audit clause shall be contained in all County contracts where the County is charged or invoiced for the subject matter of the contract, or entitled to revenue. The County shall be permitted to review appropriate support documentation and records upon which charges or revenues are based to justify all charges, expenses and costs incurred in estimating and performing work under the contract.

- N. Renewal Options:** Except for cases in which there is substantial capital investment (as determined by the Director of Purchasing, Water Utilities, Facilities Development & Operations, the County Engineer or Director of Airports) required on the part of the vendor, competitive (bid) contracts shall not extend beyond a five-year term including the initial term and renewal(s).

Renewals (if any) shall be at the option of the County and at the established price, terms and conditions as the original contract. Re-negotiation of price with a vendor awarded a contract through competitive bidding shall not be permitted unless said vendor is certified in writing as a "sole source" vendor by the Director of Purchasing.

- O. Performance and Payment Bonds:** Acceptance of performance and payment bonds shall be in accordance with Countywide PPM# CW-F-056 and the County's Bond Waiver Program.
- P. Letters of Credit:** Acceptance of letters of credit shall be in accordance with Countywide PPM# CW-F-055.
- Q. Escrow Agreements:** Acceptance of escrow agreements shall be in accordance with Countywide PPM #CW-F-040.
- R. Contract Execution:** The department or division head preparing the contract shall ensure that such contract is properly executed and legally binding upon the Contractor. The following shall be the minimum requirements undertaken:

1. Identify the type of entity and its exact legal name (i.e. sole proprietorship, corporation, such as Subchapter S corporations, professional associations; and limited liability companies; partnerships, such as general, limited, registered, limited liability partnership).
2. Verify the entity's existence. If the entity is a corporation, limited liability company, professional association or registered limited liability partnership, it must be registered with the Department of State, Division of Corporations ("DOS"). General Partnerships may register with the DOS, but are not required to do so. The DOS provides information over the phone (904 - 488-9000). Attached hereto as Attachment B is a form entitled Entity Information which sets forth the information which must be requested. The DOS will provide written information regarding the officers, partners or members and certificates of status, sometimes referred to as certificates of good standing, upon request. It is preferable to obtain such information in writing.

If the entity is not registered with the DOS, obtain a copy of the document forming such entity (i.e. Partnership Agreement) and review the same to determine if the entity is authorized to enter into the proposed contract with the County. Contact the Contract Development and Control Division or the County Attorney's Office if the document is unclear. If the entity is a foreign (non-Florida) entity, verify its authority to do business in the State of Florida. Partnerships frequently have corporate general partners which are empowered to act on behalf of such a partnership. In such circumstances, corporate information and status must be obtained from DOS for the corporate general partner as well as information regarding the Partnership itself.

3. Verify the authority of the person who will sign the contract. Obtain a fully completed and properly executed Certificate or Affidavit from the entity upon the appropriate form attached hereto as Attachment C(1-3). (If none attached for the particular type of entity, contact the Contract Development and Control Division or the County Attorney's Office).

4. Insure that the contract is complete (includes all pages, all blanks filled in, all references to exhibits correct and sequential and all exhibits attached).
 5. Insure that the signature blocks are proper and if the entity is a corporation or has a corporate partner, the corporate seal is affixed. In order to verify that the appropriate signature block is being used, verify with Contract Development and Control Division forms.
- S. **Agenda Summaries for Contracts:** Agenda Summaries for recommended approvals of contracts must include the following:
1. A brief history of events leading to the specific contract approval recommendation.
 2. The amount paid under the previous contract for the same contracted items or services, and the percentage increase/decrease, if applicable.
 3. Information pertaining to SBE and/or M//WBE participation.
 4. If the contract is an exception to the mandatory provisions of this policy, the exceptions must be indicated in the Agenda Item Summary.
- T. **Public Entity Crimes:** All Contract documents as defined by Florida Statute 287.058 must contain a clause which informs the contractor of the provisions of Florida Statute 287.133 (2)(a).
- U. **Correct/Current Standard Contracts:** The correct and current applicable standard contracts shall be used. Any exception requires review by the Contract Development and Control Division and the County Attorney's office.
- V. **Termination:** The contract should contain language stating that the County shall have the right to "terminate" the contract for any one of the following reasons:
1. Lack of funding
 2. Cause (contractor default)
 3. Convenience of the County
- W. **Non-appropriations:** Any contract extending beyond the fiscal year in which it is executed should include an annual appropriation clause wherein the contract may be terminated should funds not be appropriated for that purpose in any subsequent fiscal year. Suggested wording is as follows:
- “Palm Beach County's performance and obligation to pay under this contract is contingent upon an annual appropriation by the Board of County Commissioners”.

X. Insurance: Insurance requirements must be adequate to protect the County, and verified by the Risk Management Department.

1. Proof of Insurance (Insurance Certificate) shall be included with the contract document prior to approval and execution by the County.
2. The expiration date must be clearly shown on the Certificate of Insurance.
3. The County must be shown as an "additional insured" on the Certificate of Insurance".
4. It shall be each department's responsibility to coordinate the insurance requirements of any given contract with the Risk Management Department, prior to execution by the contractor. Therefore, the insurance certificate must contain all coverages required in the contract language, with no exceptions. If there is a waiver granted by Risk Management to an area of coverage or in an amount of coverage, it must be reflected in the final contract language.

Y. Indemnification/Attorney's Fees:

Indemnification of County: Contractors shall indemnify Palm Beach County from and against matters arising during performance of the contract. The following language should be utilized:

[Name of Contractor] shall protect, defend, reimburse, indemnify and hold County, its agents, employees and elected officers harmless from and against all claims, liability, expense, loss, cost, damages or causes of action of every kind or character, including attorney's fees and costs, whether at trial or appellate levels or otherwise, arising during and as a result of their performance of the terms of this Agreement or due to the acts or omissions of [Name of Contractor].

The indemnification provision and the insurance provision should not cross reference each other.

Indemnification by County: The law in Florida currently prohibits the County from agreeing to indemnify or hold harmless a non-governmental person or entity. Accordingly, County contracts may not include provisions which required the County to indemnify, hold harmless, defend, or otherwise reimburse or protect any non-government person or entity for any reason or under any circumstances. Florida Statutes Section 768.28 contains a waiver of the County's sovereign immunity to a limited extent for matters arising in tort. In the event the contracting party is insistent that indemnification be addressed in the contract, the County can only agree to the following provision in lieu of indemnification:

County acknowledges the waiver of sovereign immunity for liability in tort contained in Florida Statutes Section 768.28 and acknowledges that such statute permits actions at law against the County to recover damages in tort for money damages up to the amounts set forth in such statute for injury or loss of property, personal injury, or death caused by the negligence or wrongful act or omission of an employee of County while acting within the scope of the employee's office or employment under circumstances in which County, if a private person, would be liable under the general laws of this State.

Florida law permits the County to indemnify the state or state agencies or subdivisions for acts of the County (but not for such other entities' negligence). Such indemnification and hold harmless provisions should be agreed to only in limited appropriate circumstances. The following language should be utilized:

"Each party shall be liable for its own actions and negligence and, to the extent permitted by law, County shall indemnify, defend and hold harmless [Name of Entity] against any actions, claims or damages arising out of County's negligence in connection with this Agreement, and [Name of Entity] shall indemnify, defend and hold harmless County against any actions, claims, or damages arising out of [Name of Entity]'s negligence in connection with this Agreement. The foregoing indemnification shall not constitute a waiver of sovereign immunity beyond the limits set forth in Florida Statutes, Section 768.28, nor shall the same be construed to constitute agreement by either party to indemnify the other party for such other party's negligent, willful or intentional acts or omissions."

Any exception to the foregoing requirements or language shall require the prior written approval of the Risk Management Department and the County Administrator after consultation with the County Attorney's Office.

Attorney's Fees Provisions: No County contract shall contain provisions requiring the County to pay any costs or expenses of another party related to litigation, dispute resolution or otherwise including, without limitation, prevailing party attorney's fees provisions.

- Z. Identification:** All parties must be correctly identified. All County contracts must be with "Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners" and not a particular individual department. Contracts should state the name and/or title of the County's authorized representative or Contract Monitor. If the contract is being executed by an authorized official on behalf of the County, the contract should state "by _____" for the appropriate signature under the County's identification block.

All Board-approved contracts shall be assigned a unique control number so that each contract and contractor's performance may be tracked through the County's main financial

system. All expenditure contracts shall be encumbered by the Finance Department to guard against over-expenditure.

AA. Federal Tax ID Number: All contracts shall include the Federal Tax ID Number of the contractor. In the case of individuals (sole proprietors), the contractor shall provide to the department on a separate document their social security number. As required by Florida Statue 119.0721, the social security number must be kept confidential, and it will be the responsibility of the department to maintain the social security number.

BB. Office of the Inspector General: Palm Beach County has established the Office of the Inspector General as contained in the Palm Beach County Code, Sections 2-421 - 2-440, as may be amended.

Where applicable and feasible, all contracts shall contain language which addresses the Inspector General's authority to review past, present and proposed County contracts, transactions, accounts and records. The Inspector General's authority includes but is not limited to the power to audit, investigate, monitor and inspect the activities of entities contracting with the County, or anyone acting on their behalf, in order to ensure compliance with contract requirements and to detect corruption and fraud.

CC. Third Party Beneficiary: There shall be language in all County contracts that do not permit third party beneficiaries as a result of the contract. Contracts shall contain a clause specifically making it clear that the contract is not intended to, nor shall be construed, to create a third party beneficiary. If the situation warrants, this clause may be left out of a contract where a third party beneficiary is intended. If such is the case, absence of the clause shall be approved in advance by the County Attorney's office.

IV. SPECIAL REQUIREMENTS FOR SPECIFIC TYPES OF CONTRACTS:

A. Leases and Lease-Purchases: Contracts for leases and lease-purchase must include certain special provisions. If the contract covers a period of time more than five (5) years and the contract is funded from ad valorem tax sources (F.S. 125.031), the contract must indicate that the lease is subject to annual appropriation by the Board of County Commissioners, and the contract may not provide a security interest in the property being leased. Where applicable, the contract must include the standard sales tax as part of, or an addition to, the lease or rental amount. Refer to existing PPM# CW-O-010 for internal processing procedures.

B. Real Estate Transactions: Contracts for the acquisition or disposition of real property, whether by purchase, sale, lease, or exchange, must be coordinated with the Department of Facilities Development & Operations and are subject to special policies and rules adopted by the Board and the policies and procedures of the Department of Facilities Development & Operations and the County Attorney's Office. Real property purchases associated with road improvements shall be handled in accordance with the policies and procedures of the County Engineer's Office.

C. Revenue-Producing Contracts: All contracts which will result in revenue (other than fixed periodic amounts) being paid to the County (e.g. Concession Agreements) must contain the following provisions:

1. A clear definition and explanation of how the revenue to the County will be determined. If based on gross revenue, the components of "Gross Revenue" must be defined in the contract. Revenues to the County will not be based on gross margin, gross profit, net profit, or any other measure which deducts expenses before calculating the County's revenue.
2. The contractor must maintain all financial records relating to the agreement for a minimum of three (3) years and must allow the County or the County's agent the right to audit those records at any time.
3. The contractor must report and pay revenue at least monthly, and the contractor must provide annually a special report by an independent Certified Public Accountant with an opinion that the amount paid to the County is in accordance with the provisions of the contract, for those contracts generating a minimum annual revenue of \$10,000. Contractors with contracts generating less than \$10,000 annual revenue will be required to provide other forms of assurances acceptable to the County.
4. Provisions should be included regarding late fee payments and termination provisions relating to non-payment of fees and/or continual late fee payments.
5. The contract must clearly state the location and mailing address for payment of revenues to the County. Payments shall be made payable to:

Palm Beach County
Board of County Commissioners

Additional policies and procedures in relation to Revenue Producing Contracts can be found in Countywide PPM #CW-F-047.

D. Sole Source Contracts: Agenda items requesting Board award, approval, and execution of contracts to sole source contractors shall include a historical summary of contract costs, for financial comparisons, unless no previous sole source contract for the same type of goods or services has been executed by the Board. "Sole source" status of contractors must be so certified in writing by the Director of Purchasing.

E. Construction Contracts:

1. Projects for construction or capital improvements shall be entered into only by formally executed contracts, except for work orders or task orders as processed under an annual Construction Contract, such as Job Order Contracts (JOC).


2. Standard retainages for construction contracts shall be held in accordance with F.S. 218.735.
3. Liquidated Damages may be assessed in accordance with F.S. 337.18 unless otherwise indicated in the contract document. Liquidated damages may be assessed, withheld, and deducted from final payment in accordance with the contract documents and the "Final Payment" section of this policy.
4. The total budget supporting the contract amount must be identified prior to Board approval.

F. **Construction Manager at Risk Contracts:** These contracts entail a project delivery method where a Construction Manager serves as the County's General Contractor, subcontracting the work, and provides design phase assistance in evaluating costs, schedule and implications of alternate designs, systems, and materials during design. Work under these contracts has both professional service and construction elements. The Construction Manager engages in both preconstruction services, issued through Task Orders, and construction, in which a Guaranteed Maximum Price (GMP) is established and agreed to by the County.

G. **Amendments/Modifications:**

1. Contract Amendments and Modifications for construction or design services within the overall scope of work of the contract document shall be approved in accordance with the then applicable policies regarding the Countywide Contract Review Committee (Res. No. R-88-1970 and Res. No. R-89-633).
2. Contract Amendments and Modifications for all other contracts within the overall scope of work of the contract document must be approved by the Board and may be placed on the consent agenda, or as provided for in the Purchasing Code.
3. Contract Amendments and Modifications for all contracts which are for additional services beyond the original scope of work of the contract document must be approved by the Board or authorized official and may be placed on the consent agenda unless the Amendment or Modification is an exception to established Board policies or procedures.
4. Agenda items for Contract Amendments and Modifications must include the following:
 - a. The date and resolution/document number of Board approval of the original contract.
 - b. The total number of amendments/modifications.
 - c. Inception to date contract expenditures.
 - d. Total revised contract amount.

5. The agenda package pertaining to requests for Board approval of amendments to any contract shall include one copy of the pertinent clauses of the original contract which are being amended.
- H. **Interlocal, Interagency and Grant Agreements:** This policy shall not supersede existing or subsequent policies, laws or regulations regarding interlocal, interagency or grant agreements.
- I. **Waiver of Policies:** No contract shall be presented to the Board of County Commissioners for approval unless the contract complies with the mandated provisions of this policy or unless the agenda item summary presented to the Board of County Commissioners specifically states the area of divergence from this policy. Contracts which vary from the mandatory portion(s) of this policy may be placed on the Regular Board Agenda during the review process.
- J. **Fully Executed Contracts:** Copies of all fully executed contracts not requiring formal approval by the Board of County Commissioners must be submitted to the Contract Development and Control Division by the initiating department/division within five (5) business days after execution.
- K. **Changes to Contract Language:** Handwritten changes to contracts are discouraged. However, when necessary, if handwritten changes are made to language in a Contract or related document(s) as evidenced by strikethroughs or added language, such changes shall be initialed by the individuals authorized to execute such document on behalf of the respective parties. When this is an item going to the Board of County Commissioners for approval, the language that has been changed needs to be prominently flagged for purposes of obtaining initials.


ROBERT WEISMAN
COUNTY ADMINISTRATOR

Supersession History:

1. BCC Policy O-014, R90-691
2. PPM #CW-F-049, issued 1/8/94
3. PPM #CW-F-049, effective 8/1/97
4. PPM #CW-F-049, effective 10/26/99
5. PPM #CW-F-049, effective 11/3/03
6. PPM #CW-F-049, effective 11/1/04
7. PPM #CW-F-049, effective 4/1/05
8. PPM #CW-F-049, effective 11/1/05

9. PPM #CW-F-049, effective 12/1/06
10. PPM #CW-F-049, effective 2/1/10
11. PPM #CW-F-049, effective 6/16/10
12. PPM #CW-F-049, effective 10/14/10
13. PPM #CW-F-049, effective 4/25/11
14. PPM #CW-F-049, effective 4/23/12

Revised 08/01/10

CDC#	
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Contractor: _____

Project Name: _____

Prefix Code: _____ Project# _____ Agenda# _____ Surety: _____

BCC Date: _____	Insurance Required: Y or N	Start Date: _____	End Date: _____
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Resolution #: _____ Dist # _____ Renewal Opt: _____

FY: _____ Monitor: _____ Fund/Agy/Org/Obj: _____

Original Amt: _____ C/R/G NTE Amt: _____

Reviewed By: _____ Date: _____ Input By: _____ Date: _____ Monitor: Ltr: _____ Date: _____

[illegible]

CONTRACT REVIEW CHECKLIST

#	DESCRIPTION	YES	NO	N/A
1.	Is Agenda Summary Sheet information correct and complete?			
2.	Are the parties correctly identified? (All contracts must be with "Palm Beach County" NOT the Department).			
3.	Has the other party signed? If not, why? (BCC policy requires other party's signature prior to approval unless it is a higher governmental entity).			
4.	Are titles of signing parties and signature lines entered? (Be sure the person signing the contract is authorized to do so by his/her firm and witnessed with a corporate seal, where applicable).			
5.	Has the correct/current standard contract been used?			
a.	If the standard contract has been changed, are changes acceptable?			
6.	Are all attachments/exhibits appropriately labeled as such and referenced in the body of the contract?			
7.	Do the individual amount in the contract and attachments collectively match the totals in the contract?			
a.	Is there a cap on the total amount of the contract?			
8.	Are the beginning and ending dates correct and specified?			
9.	Is there a schedule of events and milestones for completion?			
10.	If the contract is for more than two years and ad valorem funds are involved, is there an annual appropriation clause?			
11.	Does the "termination clause" allow for termination at the convenience of the County?			
12.	Are the indemnification clauses included? (This should be verified with Risk Management for non-standard contracts).			
13.	Does the contract contain a clause addressing the Florida Public Entity Crime Statute (287.133) (2) (a)?			
14.	Does the item comply with the SBE Ordinance?			
15.	Has the Budget Division indicated sufficient Budget availability?			
16.	Are the payment provisions acceptable, comprehensive and clear? (Payment should be made after work is completed, however if payment is made prior to completion, a payment schedule based on definable events or measurable percentage of completion or deliverables should be included). (Be sure there are no advance payments).			
17.	Are reimbursable costs identified and capped? (NOTE: air fare must be at coach rates; per diem, meals, subsistence should be in accordance with Florida Statute 112.061).			
18.	Are insurance requirements adequate? (This should be verified with Risk management).			
a.	Is proof of insurance attached?			
b.	Is expiration date equal to or longer than the contract period?			
c.	Is Palm Beach County named as additional insured?			
19a.	Is liquidated damages clause included? If so what is the daily assessment? \$ _____ /day.			
b.	Is there an early completion bonus/incentive? If so, what is the daily amount \$ _____ /day.			
20.	Is performance/payment bond included?			
a.	Is surety verified against U.S. Treasury listing?			
b.	Is Bond sealed? Bond # _____			
c.	Does bond match Contract amount?			
21.	Has the Terms & Conditions Block been executed by Dept?			
22.	Is there a certificate or affidavit from the Contractor indicating who had the authority to execute the contract for the contractor?			
23.	Is there an access and audit clause?			
24.	Is there a notification/address identifying provision in the contract?			
25.	Inspector General language?			
26.	Criminal history records check clause?			
27.	Regulations/laws/ordinances clause?			

INSURANCE REQUIREMENTS:

Original Contract Amount: \$ _____

Contractor: _____

General Liability

Required: \$ _____

Limits: \$500,000

\$1,000,000

Other: \$ _____

Expires: _____

Comprehensive Auto

Required: \$ _____

Limits: \$500,000

\$1,000,000

Other: \$ _____

Professional Liability Required: _____

If claims-made, maintain coverage for _____ years after execution of agr.

Limits: \$ _____

"All Risk" Builder's Risk

Required: _____

(Eliminate "Occupancy Clause")

Limits: \$ _____

(Equal to total value of project)

Must cover until final acceptance.

Sub-limits not acceptable if less than

total value of project.)

"All Risk" Transit or Motor Truck

Cargo Required: _____

(Replacement cost coverage for

highest value. Must contain

Waiver of Subrogation)

Limits: \$ _____

Aircraft Liability Required: _____

Limits: \$5,000,000

Watercraft Liability Required: _____

Limits: \$5,000,000

Workers Compensation

Required: _____

Limits: \$100/500/100

\$500/500/500

Excess Liability: \$ _____

Other Requirements: _____

Date: _____

ATTACHMENT B

ENTITY INFORMATION

Full Legal Name of Entity: _____

Entity Address: _____

State of Incorporation/Formation: _____

Type of Entity (Corp., Gen. or Ltd. Partnership, etc.): _____

Date Incorporated/Formed/Qualified to do Business: _____

President: _____ Vice President: _____

Secretary: _____ Treasurer : _____

Directors/General Partner/Partners/Members: _____

Active:

YES _____

NO _____

In Good Standing:

YES _____

NO _____

Florida Corporation:

YES _____

NO _____

Qualified to do Business in Florida:

YES _____

NO _____

Comments: _____

ATTACHMENT C(1)

CERTIFICATE
(If Corporation)

The undersigned hereby certifies that the following are true and correct statements:

1. That he is the Secretary of _____ Corporation, a corporation organized and existing in good standing under the laws of the State of _____, hereinafter referred to as the "Corporation", and that the following Resolutions are true and correct copies of certain Resolutions adopted by the Board of Directors of the Corporation as the ____ day of _____, 20____, in accordance with the laws of the State of the state of incorporation of the Corporation, the Articles of Incorporation and the By-laws of the Corporation:

RESOLVED, that the Corporation shall enter into that certain Agreement between Palm Beach County, a political subdivision of the State of Florida and the Corporation, a copy of which is attached hereto, and be it

FURTHER RESOLVED, that _____, the _____ of the Corporation, is hereby authorized and instructed to execute such Agreement and such other instruments as may be necessary and appropriate for the Corporation to fulfill its obligations under the Agreement.

2. That the foregoing resolutions have not been modified, amended, rescinded, revoked or otherwise changed and remain in full force and effect as of the date hereof.

3. That the Corporation is in good standing under the laws of the State of Florida or its state of incorporation if other, and has qualified, if legally required, to do business in the State of Florida and has the full power and authority to enter into such Agreement.

IN WITNESS WHEREOF, the undersigned has set his hand and affixed the Corporate Seal of the Corporation the ____ day of _____, 20____.

(Signature)

(Print Signatory's name)

It's Secretary

(CORPORATE SEAL)

SWORN TO AND SUBSCRIBED before me this _____ day of _____, 20____, by the Secretary of the aforesaid corporation, who is personally known to me OR who produced _____ as identification and who did _____ take an oath.

Notary Signature

Print Notary Name
NOTARY PUBLIC
State of Florida at Large

My Commission Expires:

ATTACHMENT C(2)

AFFIDAVIT OF GENERAL PARTNER
(If General Partnership)

STATE OF FLORIDA)
) SS:
COUNTY OF _____)
 (insert county)

Before me, the undersigned authority, personally appeared, the undersigned, who by me being first duly sworn, deposes and says that:

1. The undersigned is a general partner of _____ a general partnership organized and existing under the laws of the State of _____ ("Partnership") pursuant to agreement, dated the _____ day of _____, 20____, a true and correct copy of which is attached hereto as "Exhibit 1".

2. The Partnership is in good standing and is authorized to transact business in the State of Florida as of the date hereof.

3. The Partnership agreement is still in full force and effect and has not been modified or amended.

4. All of the partners of the Partnership and their interests in the partnership are as set forth on “Exhibit 2”.

5. _____ has the right and authority to enter into that certain Agreement between Palm Beach County, a political subdivision of the State of Florida and the Corporation, a copy of which is attached hereto as “Exhibit 3”, and such other instruments as may be necessary and appropriate for the Partnership to fulfill its obligations under the Agreement.

6. Upon the execution and delivery of such Agreement and documents by the person identified in item 5 herein above, all of the aforesaid shall be valid agreements of and be binding upon the Partnership.

7. The transaction contemplated in the Agreement will not violate any of the terms and conditions of the Partnership agreement or of any other agreement of whatever kind between the Partnership and any third person.

8. The undersigned acknowledges that Affiant is familiar with the nature of an oath and the penalties provided by the laws of the State of Florida and that this Affidavit is being given to induce Palm Beach County to enter into the Agreement.

FURTHER AFFIANT SAYETH NAUGHT.

(Signature)

(Print Signatory's name)

(Print Signatory's Title)

SWORN TO AND SUBSCRIBED before me this _____ day of _____, 20____, by
_____ who is personally known to me OR who produced _____ as
identification and who did _____ take an oath.

Notary Signature

Print Notary Name

NOTARY PUBLIC
State of Florida at Large

My Commission Expires:

ATTACHMENT C(3)

AFFIDAVIT OF PARTNERSHIP

(If Limited Partnership)

STATE OF FLORIDA)
) **SS:**
COUNTY OF _____)
 (insert county)

Before me, the undersigned authority, personally appeared, the undersigned, who by me being first duly sworn, deposes and says that:

1. The undersigned is the _____ of _____, a corporation organized and existing in good standing under the laws of the State of _____ (the "Corporation"), which is the General Partner of _____, a limited partnership, (the "Partnership") existing under the laws of the state of _____, pursuant to an agreement dated _____, 20____, a true and correct copy of which is attached hereto as "Exhibit 1".
2. The Partnership is in good standing and is authorized to transact business in the State of Florida.
3. The Partnership agreement is in full force and effect and has not been amended or modified.
4. All of the partners of the Partnership and their interests in the Partnership are as set forth in Exhibit 2".
5. _____ has the right and authority to enter into that certain Agreement between Palm Beach County, a political subdivision of the State of Florida and the Corporation, a copy of which is attached hereto as "Exhibit 3", and such other instruments as may be necessary and appropriate for the Partnership to fulfill its obligations under the Agreement.
6. Upon the execution and delivery of such Agreement and documents by the person identified in item 5 herein above, all of the aforesaid shall be valid agreements of and be binding upon the Partnership.
7. The transaction contemplated in the Agreement will not violate any of the terms and conditions of the Partnership Agreement or of any other agreement of the Partnership with any third party.
8. The undersigned acknowledges that Affiant is familiar with the nature of an oath and the penalties provided by the laws of the State of Florida and that this Affidavit is being given to induce County to enter into the Agreement.

FURTHER AFFIANT SAYETH NAUGHT.

(Print Partnership Name)

By _____
(Print Corporation name)

a _____ Corporation
(Print State of incorporation)

It's General Partner _____

By: _____
(Signature)

(Print signatory's name)

It's _____
(Print title)

SWORN TO AND SUBSCRIBED before me this _____ day of _____, 20____, by _____, who is personally known to me OR who produced _____ as identification and who did _____ take an oath.

Notary Signature

Print Notary Name

NOTARY PUBLIC
State of Florida at Large

My Commission Expires: